

# The Main Successes and Failures of the Trump Administration's Foreign and Domestic Policies



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By

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**Cambridge  
Scholars  
Publishing**



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This book first published 2022

Cambridge Scholars Publishing

Lady Stephenson Library, Newcastle upon Tyne, NE6 2PA, UK

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

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ISBN (10): 1-5275-8078-4

ISBN (13): 978-1-5275-8078-7

*To my grandsons Adrián and Mikail*



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## ACKNOWLEDGMENTS

Without any doubt, the present book is a reality thanks to the valuable support of my lovely wife, Aurora Tamara Meoqui Puig. She had assumed other family responsibilities in order to give me indispensable time and a good environment to write the book. I would also like to thank my dear friend and colleague, Eng. Alejandro Seijas for his excellent job in revising the first draft of the book and the references used.

## PREFACE

The present book, made up of 12 chapters, evaluated how the Trump administration implemented its domestic and foreign policies and the impact on the United States (US) and abroad. Each of these chapters includes several actions that could be taken to seek fair, balanced, and long-term solutions to the various problems that are affecting international peace, security, and economic trade. The book also identifies the main achievements and failures of implementing the main domestic and foreign policies and their most important consequences for the US and other countries.

Chapter 1 provides the reader an overview of the type of foreign policy that has characterized the US since the adoption of its Constitution in 1787. There are two types of foreign policy adopted by all US presidents: isolationism and interventionism. When the US administration follows the first type of foreign policy, it refrains from participating in all international affairs that do not directly affect the country or that do not pose a direct threat to its interests. When the US administration follows the second type of foreign policy, it engages in all international affairs to impose its view on the main world issues, values, and principles in defense of its own national interests.

During his term in office, President Trump's foreign policy tilted towards a bilateral approach to resolve world issues. Its main goal was to impose the US interests above all in all world affairs. After the end of World War II, the US foreign policy was also characterized by its defense of the so-called "Multilateralism" or of the so-called "Bilateralism" approaches in searching for acceptable solutions to world affairs. Chapter 1 also includes a detailed analysis of the US economic situation before and after World War II, the Korean and Cold War, the Reaganomics period, and a summary of the main elements of President Trump's political agenda.

Chapter 2 includes an analysis of the implementation of President Trump's economic policies and how they impacted the overall US economy, the level of the Gross Domestic Product in the country, and the development of the US manufacturing sector. Chapter 2 also includes a discussion of the level of unemployment in the US, particularly the level registered during the coronavirus pandemic, which affected the US and the entire world in 2020. In the specific case of the US, the coronavirus pandemic hit the economy very hard. As a result, the unemployment levels

increased significantly in 2020. For example, in May 2020, the number of American workers that filed for unemployment since mid-March reached 40,8 million. That level of unemployment is the highest level ever reached in such a short period in US history. That unprecedented increase in the country's level of unemployment was attributed not only to the negative impact of the coronavirus pandemic on the US economy but also to the wrong approach adopted by the Trump administration to combat this pandemic. Fortunately, the unemployment level began to recede in 2021, and by late summer of 2021, the national unemployment rate was 5,2%, and inching closer to the 2019 unemployment rate of 3,5%, which was the lowest since 2019.

Beyond question, the coronavirus pandemic also had a negative impact on the level of inflation in the US economy in 2020. In that year, and before the coronavirus pandemic, the inflation level was expected to be between 1,6% and 2%. It averaged 1.2% in 2020. It is expected to reach 1,8% in 2021, according to the most recent forecast released at the Federal Open Market Committee meeting held on June 19, 2019. However, the average rose to 4.7% in 2021. The slowdown registered in the level of inflation in 2019 and 2020 is a side effect of the US's trade war with other countries, particularly against China, a key component of President Trump's economic policies.

Chapter 3 provides the reader with all the necessary information regarding the evolution since 1956 of the DPRK nuclear weapon program and describes its main components. Chapter 3 also provides the reader with a summary of the outcome of the two summits held between President Trump and the Leader of the DPRK, Kim Jong-un, held on June 12, 2018, in Singapore, and on February 27 and 28, 2019, in Hanoi, Vietnam, including the main topics discussed in these two summits, and their main differences. These differences are impeding the search for a fair and lasting solution to the Korean War. Chapter 3 will also allow the reader to understand the main difficulty that is impeding to find a diplomatic solution to the Korean War: the US decision to modernize its nuclear weapons arsenal from one side, and the US request to the DPRK to destroy all of its nuclear weapons, from the other. One of the most important sections of Chapter 3 discusses the future direction of the DPRK's nuclear weapons program. In this section, the reader will also find the main measures that should be adopted, which could help find a lasting and fair diplomatic solution to the conflict in the Korean Peninsula.

Chapter 4 provides the reader with the latest information related to the main components of the nuclear program in Iran, the relevant elements of the JCPOA, and the unique characteristics of the verification system applied

by the IAEA under this agreement. Chapter 4 will also provide a comprehensive analysis of the JCPOA. It includes relevant information that could help the reader conclude whether the Iran agreement accomplished its intended goal of preventing Iran from developing a nuclear weapon. Based on the information included in this chapter, the reader will have the opportunity to conclude whether the Iran agreement is the correct instrument to impede Iran from producing a nuclear weapon in a short period or not. The reader will also have the opportunity to determine if the international community has other alternatives available instead of the JCPOA to reach the same objective.

Two of the relevant issues included in Chapter 4 are the consequences of the US unilateral withdrawal from the JCPOA to the Middle East peace and security process and the re-imposing of unilateral sanctions against Iran adopted by the US. Chapter 4 describes the conditions for the US return to the Iranian agreement and the position adopted by Iran and other state parties of the JCPOA on this issue. Chapter 4 also includes a group of proposals on possible actions that could be adopted to keep the JCPOA alive, bearing in mind the interests of all parties involved.

Chapter 5 provides the reader with the latest information about the possible consequences to the world economy resulting from the US trade wars against China, Mexico, Canada, and the European Union, among others. Chapter 5 also includes a group of actions that could be implemented to stop the current US trade wars against the countries mentioned above, as well as against several other countries. During 2019, the US economy had experienced a slowdown caused partially by the US trade wars with other countries, particularly against China, a key component of President Trump's economic policies. By July 2020, in the midst of the pandemic and when worldwide economic activity had come to a halt, the inflation rate had dropped by almost 1% since July 2019. By July 2021, economic activity was returning to more normal levels. However, the interruption in the supply chain of goods and services caused by the economic shutdown in 2020 created inflationary pressures. Accordingly, the inflation rate had risen by almost 5,4% from July 2020 to July 2021.

Chapter 6 summarizes the US main arguments used to justify withdrawing from several multilateral agreements and international organizations, as well as from bilateral agreements on arms control with Russia. Chapter 6 also identifies how these actions impacted the international community in search of acceptable solutions to the world's different problems. As a result of President Trump's isolationist position in foreign policy, he withdrew the US from several international agreements and several international organizations. Besides, President Trump has withdrawn the US from almost

all bilateral agreements on arms control with Russia and announced that the US would also adopt all necessary steps to withdraw from the Treaty of Open Skies in force during the last three decades. President Trump also threatened to withdraw the US from the Universal Post Union and the World Trade Organization.

The argument used by President Trump to withdraw the US from several international organizations was that the policies and activities carried out by these organizations were going against the interests of the US and, in some cases, against the interest of specific US friends and allies such as Israel. President Trump's position ignored that the US could exercise tight control over the programs and budgets of these organizations by having placed its main officials in key positions within their Secretariats. Besides, the US was also able to exercise strong political pressure on almost all member states of these organizations to force them to support the US positions, policies, and programs within these organizations during their governing bodies' meetings. However, it is also true that the US does not always succeed in imposing its positions on other countries during the deliberation by their governing bodies of certain issues of special interest to the US. The reason is straightforward: because, in many cases, the US representatives acted very selfishly, ignoring the positions and specific interests of other countries.

Chapter 7 contains a discussion of the Trump administration's position on energy policy in the following three types of energy sources: conventional energy, particularly the use of coal and oil for electricity generation and heating, renewable energy, and nuclear power. Despite all of President Trump's measures to increase the role of coal in the US energy mix in the coming years, the coal era is officially over in the US. For this reason, the participation of coal in the US energy mix is expected to decline in the coming years. In 2019, for example, the amount of energy produced from renewable energy sources exceeded coal-fired power generation in the US for the first time in the country's history. Chapter 7 also includes the latest information regarding the so-called "Cold Energy War" between the US and China to control critical minerals and materials in the world market, such as lithium, cobalt, graphite, and rare earth elements, among others. These rare minerals and materials are used mainly to construct different types of energy facilities.

Chapter 8 identifies the main components of the Trump administration's immigration policy and their consequences for the US economy and the political relationships with other countries. There are two elements of President Trump's immigration policy that are singled out in this chapter. One of the policies was the construction of a wall on the border with

Mexico. The purpose of the wall was to impede the entry of illegal immigrants from several countries, particularly from Latin American and Caribbean countries. The second policy was the increased visas and green card requirements, which future immigrants had to satisfy before they were allowed to enter the country legally, and establishing an immigration quota on some countries. This policy was designated to generally reduce to a minimum the entry of new immigrants to live and work in the US and by limiting the number of immigrants allowed to enter from certain countries. According to the new regulations adopted by the Trump administration, the green card applicant was required to speak English, have the resources to live in the country, not request social and economic aid from the government, and have health care insurance.

Chapter 9 includes a discussion addressing the latest information surrounding the US nuclear weapons program, its modernization, and the Trump administration's non-proliferation policy. Chapter 9 also contains information about the US nuclear weapons arsenal and identifies the pros and cons related to the possession of nuclear weapons. One of the issues discussed in this chapter is the modernization of the US nuclear forces in a clear violation of the country's commitments and obligations as a state party to the NPT.

At the same time that the US promoted international sanctions against any country that tried to produce a nuclear weapon, even if such country was under no obligation not to do so, President Trump promoted the modernization of all US nuclear forces. The Trump administration also considered the possibility of producing low-yield nuclear weapons that can be used in regional or local conflicts. This chapter also discusses the possible resumption of nuclear tests in a clear violation of its obligations as a PTBT state party and signatory of the CTBT.

Chapter 9 also includes information about how the US administration tried to implement its own traditional nuclear non-proliferation policy by keeping new states from producing nuclear weapons while the US kept modernizing its own nuclear arsenal. Undoubtedly, the modernization of the US nuclear arsenal might end up becoming a key element to the beginning of a new and dangerous nuclear arms race that will involve at least two other countries: Russia and China. The possibility of producing a low-yield nuclear weapon that could be used in a regional or local conflict involving US armed forces was also a very dangerous move by the Trump administration. This move could have provoked a response from Russia, China, and other countries as well. Chapter 9 also provides the reader with a brief analysis of the Trump administration and the 2018 Nuclear Posture Review. This chapter also includes a section that identifies a group of

measures that should be adopted to ensure the elimination of all nuclear weapons in possession of all nuclear weapons states.

Chapter 10 includes a summary of President Trump's impeachment process and subsequent outcome, including a brief analysis of the assault of the US Congress by President Trump's followers.

Chapter 11 includes a summary of President Trump's domestic and foreign policies' main successes and failures and their consequences to the US and other countries.

Chapter 12 summarizes the main issues discussed in the different chapters of the book.

**The Author**



# CHAPTER 1

## GENERAL OVERVIEW

### **The Characterization of the US Foreign Policy**

The foreign policy of the United States of America (US), since the adoption of its Constitution on September 17, 1787, oscillated between two different types of approaches. These two approaches are isolationism (disregarding world conflicts) and interventionism (the commitment to specific values or alliances, which implies involvement in world affairs). Isolationism is a doctrine practiced by the US for much of its history to not intervene in external affairs that do not represent a real threat to the country. On the other hand, interventionism is a doctrine practiced by the US that supports the US administration's interference in another state's internal affairs or those of a group of states. The objective is to change the position or conduct of that state or group of states in favor of the US interests.

As happened in other revolutions, the American revolution faced the need to develop its ideology in a single country or inside the country or adopt a permanent expansionist revolution that produces the revolutionary contagion in other countries.

The position of the different American political traditions has been identified with the name of various presidents. For example, in the case of US presidents Wilson, Jefferson, and Jackson, they promoted a policy of isolationism in the US foreign policy. The late participation of the US in World War I and World War II was the result of intense internal debates about whether or not to do so until two US presidents, Woodrow Wilson and Franklin D. Roosevelt, respectively, imposed their interventionist position and forced the US to participate in the wars mentioned above. In the specific case of World War II, the country was attacked by Japan on December 7, 1941, and, for this reason, the US administration and the US Congress had no choice but to declare war against Japan. Four days later, on December 11, 1941, Germany declared war against the US, forcing the country to participate in the war in Europe as well.

Based on their foreign policy position, US politicians can be grouped into two groups. One group promotes the policy of interventionism, and, for this reason, it is called “Hamiltonians.” The other group supports the policy of isolationism, and it is called “Jeffersonians.” The “Hamiltonians” share the belief that a strong national government and the army are the best way to promote US economic and business interests at the world level. For this reason, the “Hamiltonians” support the need for a US global foreign policy based on the promotion of democracy and human rights, the two main priorities of US foreign policy. Of course, the “Jeffersonians” disagree with this US foreign policy. For this group of US politicians, the US should minimize its commitments in world affairs and, as far as possible, dismantle the state of national security. After the end of World War II, President Truman defended a foreign policy based on the so-called “Multilateralism” to maintain political and economic stability in the world. Those US politicians that reject “Multilateralism” in the search for solutions to the problems the world is facing usually support the so-called “Bilateralism.”

According to Montanaro (2017), the US foreign policy of the Trump administration is focused on the following main four issues:

- Security. The US should fight terrorists abroad and strengthen border defenses and immigration controls;
- Expansion of the US armed forces;
- America’s first approach to trade;
- Diplomacy, whereby old enemies become friends (Montanaro, 2017).

The US foreign policy positions, expounded by Donald Trump, frequently changed during his presidential campaign, making it “difficult to glean a political agenda, or even a set of clear, core policy values ahead of his presidency” (Timm, 2016). During his presidential inauguration speech, President Trump said that during his presidency, the US would “not seek to impose our way of life on anyone, but rather to let it shine as an example. We will shine for everyone to follow.” He also stated that his administration would “seek friendship and goodwill with the nations of the world” and that he understands the “right of all nations to put their own interests first” (Ron, 2017). During his first term in office, his actions were very different from what he said he would do in his inauguration speech. The consequences of this behavior will be explained in detail in the coming chapters.

## **The US Economy Before and During World War II**

World War II ended with the defeat of Nazi Germany in May 1945 and Japan in August of the same year. The end of the war marked the beginning of a golden era for the US economy, the only leading participating country that was not fighting this war in its own continental territory. Beyond question, World War II made not only the US a great military and industrial power but placed the country as a leader of the western world from the political, military, and economic points of view. In 1930, the national debt of the US was only US\$16 billion (US\$169 billion today), and after World War II, in 1946, it reached a record US\$269 billion; this means 16,8 times, but with low interest. World War II cost the US around US\$84.000.500 million only for the manufacture of armaments, of which an enormous amount would end up in the hands of the allied countries, including the Soviet Union (USSR) (<https://www.exordio.com/1939-1945/paises/economia-usa.html>, 2013).

However, the country's economic situation was not good in the 1920s and collapsed in the 1930s. In 1932, as a result of the Great Depression of 1929 caused by the US stock market collapse, unemployment reached 30%, a figure never seen before in US history. Despite President Franklin D. Roosevelt's New Deal programs, the US economy was submerged in the Great Depression during the 1930s.

However, during World War II (1940-45), the US economy recovered thanks to the production of war armament, which led to the creation of millions of new jobs. Production of defense-related materials and equipment helped expand the US economy during World War II. In 1943, defense production made up more than 40% of the gross national product (GNP). In 1944, the unemployment rate dropped to 1,2%, the lowest rate in US history. Before the US entered the war, the unemployment rate was above 14%. The differences in GNP and annual unemployment and income rates before and after World War II are striking and mark this war's role in the US recovery after the Great Depression (Mueller, 2017).

An essential factor in the US economy during World War II was the increase in government regulations and controls over the economy. Many government agencies were created to monitor war production, control prices, avoid inflation, and focus on producing war goods instead of typical consumer products. During World War II, the first general income tax appeared, which generated huge revenues for the federal government. The sale of war bonds further increased government revenues (Mueller, 2017).

## The Cold War

The Cold War was a period of high geopolitical tension between the USSR and Eastern European countries on the one hand and the US and western countries on the other. The period to be covered goes from 1947 to 1991. It is important to single out that the last year of that period marked the USSR and the Eastern Bloc's dissolution. The term "Cold War" was used because there was no large-scale fighting directly between the USSR and the US, but they each supported major regional conflicts known as "Proxy wars." The Cold War was based around the ideological and geopolitical struggle for global influence by the USSR and the US, following their temporary alliance and victory against Nazi Germany, Fascist Italy, and Military Japan in 1945 (Lewkowicz, 2018; and Sempa, 2017).

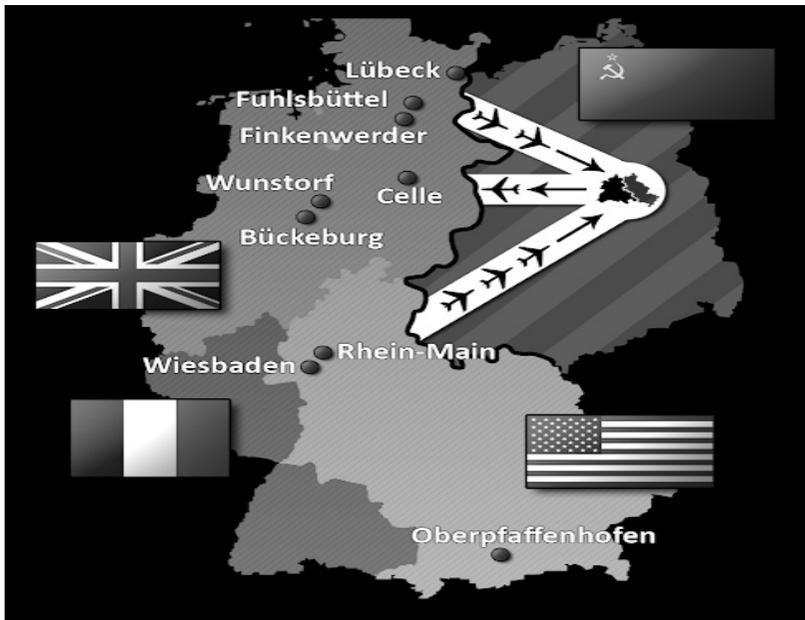
The first phase of the Cold War began immediately after the end of World War II in 1945. The US created a military alliance called the "North Atlantic Treaty Organization (NATO)", in 1949, with the participation of several western countries<sup>1</sup>. As a result of West Germany's integration into NATO, the USSR formed the Warsaw Pact in 1955 with the participation of several socialist countries<sup>2</sup>. Major crises of this phase included the following:

- 1948–49 Berlin Blockade (see Fig. 1);
- 1927–50 Chinese Civil War;
- 1950–53 Korean War;
- 1956 Suez Crisis;
- 1961 Berlin Crisis;
- 1962 Cuban Missile Crisis (see Fig. 2).

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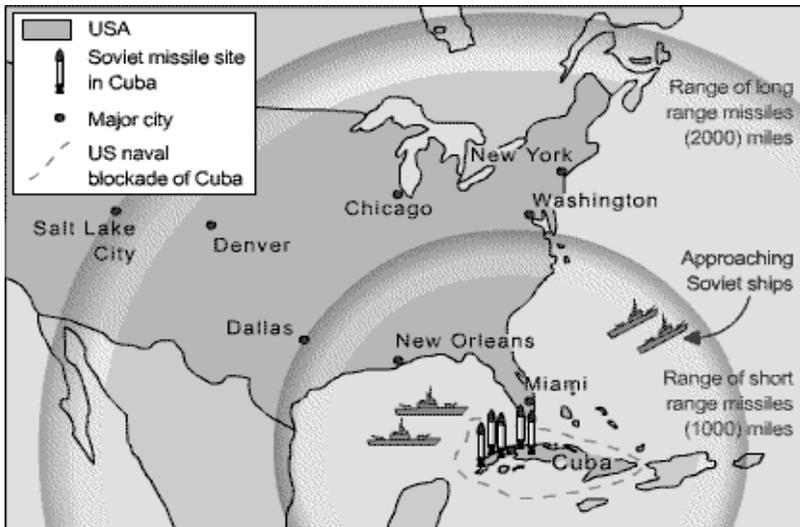
<sup>1</sup> Original countries that founded NATO: France, the United Kingdom (UK), Belgium, the Netherlands, Luxembourg, the US, Canada, Portugal, Italy, Norway, Denmark, and Iceland. Today NATO has 30 member states.

<sup>2</sup> Original countries that founded the Warsaw Pact: the USSR, Poland, Albania, Bulgaria, Czechoslovakia, East Germany, Hungary, and Romania. The Warsaw Pact disappeared after the fall of the USSR in the 1990s.



Source: sragg.de

Fig. 1: Berlin blockade airlift



Source: Blogspot

Fig. 2: Cuban missile crisis

The USSR and the US competed for political, economic, and military influence in Latin America, the Middle East, Africa, and Asia's decolonizing states. Besides the huge nuclear and conventional arsenal development in the Cold War period, the struggle for dominance was expressed mainly through psychological warfare, propaganda campaigns, espionage, far-reaching embargoes, rivalry at sports events, and technological space competitions, among others.

The second phase of the Cold War began after the Cuban Missile Crisis of 1962. The main characteristics of this phase were the following:

- Ideological relationship between the USSR and China split, complicating the relations within the socialist group;
- France began to demand greater autonomy of action within the western group;
- The USSR invaded Czechoslovakia to suppress the so-called "1968 Prague Spring";
- The US experienced great international opposition to the participation in the Vietnam war as well as internal turmoil from the civil rights movement and opposition to this war;
- During the 1960s and 1970s, an international peace movement took root among many worldwide citizens. Several movements against nuclear arms testing and nuclear disarmament were established in many countries, particularly in the Western Group. These movements were responsible for the organization of large anti-war protests in many western countries;
- By the 1970s, the USSR and the US signed the Strategic Arms Limitation Talks, and the US opened relations with the People's Republic of China.

The following events characterized the third phase of the Cold War period:

- The USSR invasion of Afghanistan in 1979 and the collapse of the Detente;
- Throughout the early 1980s, the USSR was suffering from a severe economic crisis, which affected all sectors of its economy. The US used this opportunity to increase diplomatic, military, and economic pressures on the USSR;
- In the middle of the 1980s, the new Soviet Leader Mikhail Gorbachev introduced two political reforms. One of the reforms, "Glasnost" ("openness"), was introduced in 1985. The second

reform, “Perestroika” (“reorganization”), was introduced in 1987. At the same time, the Soviet government decided to withdraw its troops from Afghanistan;

- Pressures for national sovereignty grew stronger among Eastern and Central European countries during the late 1980s, and the Communist Party of the USSR lost control of its own country during that period. Finally, the Communist Party of the USSR was banned following an aborted coup attempt in August 1991;
- In December 1991, the USSR’s formal dissolution was declared as well as the declaration of independence of several of the republics that made up the USSR as well as all Central and Eastern European socialist countries;
- The dissolution of all governments in Eastern and Central European socialist countries, the Warsaw Pact, and the Council for Mutual Economic Assistance (COMECON).

## **The Post-war Economic Recovery in the US**

Undoubtedly, the period 1940-70 was marked by an increase in economic activity and productivity within the US, a growing and more wealthy middle class, and the rise of the baby boomer generation. During that period, the US gross domestic product (GDP) grew at an average annual rate of nearly 4%. This boom resulted from President Truman’s 21-point program adopted in 1948 that took into account reducing the production of armament-related industries and their personnel’s employment<sup>3</sup>. President Truman’s program employed 60 million Americans in the construction of highways, housing, hydraulic installations, which led to a high level of employment and production. In addition, the workforce grew in other branches of industry (consumer goods, radios, appliances, etc.). At the same time, the US administration adopted several measures related to the gradual suppression of state control in the economy, promoting social measures, and providing employment for the most disadvantaged people.

As a result of the destruction of many countries during World War II, the world urgently needed agricultural products and equipment to feed the world population and the reconstruction of the countries involved in this war. At that time, the US was the only country that was able to provide the

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<sup>3</sup> In the same period, workforce grew in other branches of the civilian industry (consumer goods, radios, appliances, etc.).

necessary material and financial resources to reconstruct Europe and Asia. The objective behind this help was to maintain world peace and stability and increase the US influence in world affairs.

However, after the end of World War II, peace and stability at the world level began to break. While the United allied forces had managed to defeat the Axis powers (Germany, Japan, and Italy and its satellites), there were many ideological differences between them, mainly between the two leading countries within the United allied forces, the US and the USSR. Thus, the world began a political and ideological division, which brought much suffering for families and people separated in this cruel and unfair way.

The Korean War that began in 1950 was a peak in this broken process. Japan capitulated in August 1945. The USSR accepted the Japanese armed forces' surrender in the north of Korea and the US in the south. The country was then divided into two regions by the 38<sup>th</sup> parallel (see Fig. 3). As trustees, the USSR and the US pledged an early democratic election to unify the Korean Peninsula. Promises to that effect were affirmed in the 1945 Potsdam Declaration approved by the US, the United Kingdom (UK), and the USSR and reaffirmed by this last country when it declared war against Japan in August 1945<sup>4</sup> (History of the American Wars-Korean War Facts 1950-53). Thus, the Korean War involved several countries and ended as a result of the signature of an armistice. For this reason, until today, North and South Koreans are technically still in a war.

Despite several efforts made by the US, the USSR (now Russia), China, Japan, the Republic of Korea (South Korea), and the Democratic People Republic of Korea (DPRK, North Korea) to find a fair and lasting solution to the Korean War, no sign that a diplomatic solution to this endless conflict is over the table. The Korean Peninsula's complex situation is described in detail in Chapter 3, including a list of possible actions that could help find a fair and lasting diplomatic solution to this conflict.

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<sup>4</sup> The Potsdam Declaration had established the 38<sup>th</sup> parallel as a temporary line of demarcation to effect an orderly administration of the country after the Japanese surrender. The agreement specifically stated that partition was effected "provisionally". The USSR and the US were appointed trustees with the mandate to supervise democratic elections that would unify Korea.



Source: Courtesy Best of the Left

Fig. 3: The Korean Peninsula

## The Reaganomics Period

Throughout the 1970s, an essential structural change in the US economy was carried out, moving the economy away from industry and manufacturing productions to service activities. However, and after several decades of unprecedented growth of the US economy, it began to show signs of slowing down. Moreover, important events at the world level, including the collapse of the Bretton Woods system, the 1973 oil crisis, and increased global competition, precipitated the introduction of significant economic changes that transformed the US economy. As a result, the 1970s can be categorized by a period of stagnating growth and inflation<sup>5</sup> of the US economy.

The 1980s gave rise to an economic period called “Reaganomics.” During that period, the country was suffering from high inflation and unemployment. The period under consideration was characterized by applying a group of economic policies, which President Reagan promoted in response to a prolonged economic stagflation period that began under President Ford in 1976. The main objectives of the “Reaganomics” were the following:

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<sup>5</sup> This period was called “stagflation”

- To reduce government spending on domestic programs;
- To deregulate domestic markets;
- To reduce taxes for individuals, businesses, and investments;
- To reduce the burden of regulations on business;
- To decrease social disbursements;
- To increase military spending;
- To implement a tighter money supply.

Although the implementation of the “Reaganomics” “reduced domestic spending, it was more than offset by increased military spending, creating a net deficit throughout President Reagan’s two terms. The top marginal tax rate on individual income was slashed to 28% from 70%. The corporate tax rate was reduced from 48% to 34%” (Kenton, 2019). No doubt, the economic policy adopted by President Regan was highly successful. As a result of applying the policy mentioned above, “marginal tax rates decreased, tax revenues increased, inflation decreased, and the unemployment rate fell” (Kenton, 2019).

However, while the US economy grew and productivity increased during the period of “Reaganomics”, the government’s debt also rose significantly. One of the main consequences of applying “Reaganomics” is turning away from the Keynesian-inspired economics that had been the central economic policy applied by different US presidents since the Great Depression toward free-market supply-side economics and the trickle-down theory. These theories hold the view that decreases in taxes, especially for corporations, offer the best way to stimulate economic growth. The idea is the following: “if the expenses of corporations are reduced, the savings trickle-down to the rest of the economy, spurring growth” (Kenton, 2019).

During the 1990s, the US economy had turned into an increasingly robust performance as the decade progressed. However, during the years 1989 and 1990, the US economy weakened due to the US Federal Reserve’s restrictive monetary policy during the last years of Ronald Reagan’s presidency. At that time, the US Federal Reserve’s stated policy was to reduce inflation, a process that limited economic expansion. Another factor contributing to the weakening of the US economy was the passing of the Tax Reform Act of 1986. This Act led to the end of the real estate boom of the early to mid-1980s, resulting in sinking property values, lower investment incentives, and job losses, pushing the country into the recession. In addition, the recession provoked a loss of consumer and business confidence due to the 1990 oil price shock, coupled with an already weak economy (Walsh, 1993).

Many economic experts consider July 1990 as the end of the longest peacetime economic expansion in US history (Walsh, 1993). Before the beginning of the 1990s recession, the nation had enjoyed robust job growth and a declining unemployment rate. However, the US Labor Department had estimated that the economy would shed 1.623 million jobs or 1,3% of non-farm payroll due to the recession. The bulk of these losses was in the construction and manufacturing sectors. The New England states and the West Coast were among the hardest-hit regions of the country, while the Midwest and South-central regions were less affected (Dzialo et al., 1993).

The US technological developments registered during the 1990s brought a wide range of sophisticated new electronic products within the US and abroad. Innovations in telecommunications and computer networking spawned a vast computer hardware and software industry and revolutionized how industries operated (American Economy of the 1990s and Beyond, US Department of State, 2017). During the period under consideration, the US economy outgrew in parallel to unprecedented technological development in many US economic sectors. As a result of excellent economic performance during the first part of the 1990s, in 1998, the government posted its first surplus in 30 years. However, a huge debt, mainly in the form of promised future Social Security payments to the baby boomers, remained (American Economy of the 1990s and Beyond, US Department of State, 2017).

It is important to single out that since 1999, the USA has found deep divisions within different groups, actors, ruling classes, and a growing popular anti-establishment unrest. These divisions became more evident towards the end of President Clinton's term in office. The following are some of the economic developments that transpired during his presidency:

- The Glass-Steagall Act's repeal ended the division between commercial and investment banking. This decision resulted in vast growth in global financial networks;
- The creation of the G-20 group as a new world governing body of trans-nationalized capitalism;
- Strengthening the international multilateral institutions such as the IMF, World Bank, WTO to the detriment of national sovereignties.

The George W. Bush administration (2001-2009) saw the revival of the neoconservatism power after the terrorist attack of the Twin Towers on

September 11, 2001. After the attack, there was a pro-American reaction in the role of the USA in world affairs. As a result of this reaction:

- The G-20 activities were set aside to reinstall the old G-7 plus Japan;
- The US-Anglo-American unilateralism was reinstated to the detriment of Anglo-American multilateralism;
- The US tried to recover its military supremacy and regional dominance in the Middle East, as well as its hegemonic position in the World Order;
- Dismissed the excessive strengthening of international multilateral institutions in order to regain direct US decision-making power to the detriment's multilateral institutions.

To gain the US's leading role in world affairs, the government decided to increase the public deficit and the military budget to dynamize the internal economy using the military-industrial complex and its scientific-technological outcome.

The 2007-08 financial crisis was an important development in the confrontation within the ruling classes and between the financial fractions, multilateralists, and Americanists. With the election of President Obama in 2008 as the new US president, multilateralism returned to the government agenda. The Obama administration articulated a dominant program based on the finance capital Anglo-American transnational corporation and the US-UK multilateralist geopolitical interests. However, certain concessions were also returned to the popular classes under his administration, such as recovering the liberal agenda concerning civil rights and individual liberties. President Obama also promoted multilateral trade and investment treaties based on the new government policy. His administration expounded on expanding military alliances in the Eurasian periphery to contain-prevent the emergence of geopolitical rivals and multiculturalism as an ideology.

The results of the 2016 presidential election revealed the polarization that existed in the US, surrounding the issues expounded by the various political candidates. The following are some of these issues:

- The war in Iraq and the strategy in the Middle East;
- The role and power of multilateral organizations and institutions and the role and power of the US government (unilateral vs. multilateral);